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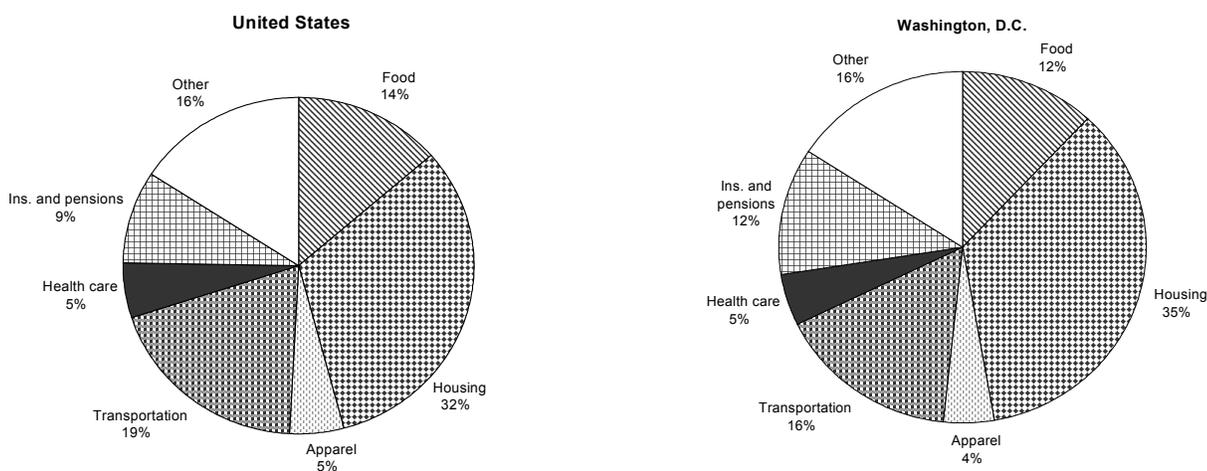
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CONSUMER EXPENDITURE SURVEY: WASHINGTON, D.C. METROPOLITAN AREA 1999-2000

Consumer units¹ in the Washington, D.C. metropolitan area spent an average of \$47,894 per year in 1999-2000, 27 percent more than the national average, according to the latest results from the Bureau of Labor Statistics' Consumer Expenditure Survey. In dollar amounts, Washington area households spent 39.3 percent more for housing, the largest component of the budget, and 65.4 percent more on personal insurance and pensions, than did households nationwide. In fact, a typical household in Washington spent more than the national average in every major expenditure category except tobacco products. (See table 1.)

Still, the average household in Washington spent a smaller relative share of its total budget for food, housing, and transportation (63.6 percent) than did the average U.S. household (65.1 percent). (See table 2.) The percentage of Washington's budget spent on these three categories was about the same as in Baltimore (63.5 percent), but lower than in any of the other selected metropolitan areas in the South. (Geographical boundaries of regions and areas referenced in this release are contained in the Technical Note.)

Chart A. Percent distribution of total average expenditures, United States and Washington, D.C. metropolitan area, 1999-2000



"Other" includes alcoholic beverages, personal care, reading, education, tobacco & supplies, entertainment, miscellaneous goods and services, and cash contributions.

Note: Figures in this chart may not add to 100 percent due to rounding.

¹ See the Technical Note for the definition of a consumer unit. The terms consumer unit and household are used interchangeably throughout the text for convenience.

This report contains annual data averaged over a two-year period—1999 and 2000. The data are from the Consumer Expenditure Survey (CE), which is conducted on an ongoing basis by the Bureau of Labor Statistics (BLS). The Bureau of the Census collects the survey data for BLS. The CE is the only national survey that provides both complete data on household expenditures and the demographic characteristics of those households. Survey data cannot be used to make cost of living comparisons between areas. Expenditures vary among areas not only because of economic factors such as the price of goods and services and family income, but also because of differences such as the age of the population, climate, consumer tastes, family size, etc. However, expenditure shares (or the percentage of a consumer unit's budget spent on a particular item) can be used to compare spending patterns across areas. The survey provides average expenditures for consumer units. An individual consumer unit may spend more or less than the average, depending on its particular characteristics.

On average, spending on housing accounted for 35.4 percent of total household expenditures in the Washington area. In the other metropolitan areas surveyed in the South, consumers in Atlanta and Miami spent a larger share of their budget on housing costs than did those in Washington, while households in Baltimore, Tampa, Dallas-Fort Worth, and Houston spent a smaller share. Nationally, households spent 32.4 percent on housing in the 1999-2000 period. The majority (63.0 percent) of housing expenditures in Washington went for shelter, which includes mortgage interest, property taxes, repairs, and rent, among other items. Nearly 16 percent of total housing expenditures went for utilities, fuels and services. The expenditure share for shelter was higher than the national average, while the share for utilities, fuels, and services was lower. The rate of homeownership in Washington, at 66 percent, was about the same as the nationwide average of 65 percent. In the other six metropolitan areas in the South, homeownership rates in Atlanta, Tampa, and Baltimore were higher than that for the nation, averaging 70 percent or more, while rates in Miami, Houston, and Dallas-Fort Worth were below the national average. Residents of Dallas-Fort Worth had the lowest rate of ownership at 58 percent.

Transportation was the second largest expenditure category in the Washington area, accounting for 16.3 percent of a household's budget compared to 19.2 percent for the Nation. Washington's proportion of total expenditures for transportation was lower than the percentages in any of the other selected metropolitan areas in the South. Consumer units in the Tampa metropolitan area spent the largest share (21.9 percent) of their budget on transportation costs, while households in Baltimore (17.2 percent) spent only slightly more than Washingtonians. Of the \$7,813 annual expenditure on transportation in Washington, 88.9 percent was spent buying, operating, and maintaining private vehicles, with the remainder going for public transportation. Consumer units in Washington spent a larger share (11.1 percent) on public transportation than any of the other six areas, while households in Atlanta spent the smallest share (4.4 percent). The average number of vehicles per household in Washington was 1.8, the same as in Tampa, not much different from the national average of 1.9 vehicles. In the other five metropolitan areas in the South, the average number of vehicles per household ranged from 1.6 in Miami to 2.0 in Dallas-Fort Worth and Houston.

Washington households spent 11.9 percent of their budget on food, similar to the share spent by those in Atlanta. Consumer units in Dallas-Fort Worth spent nearly 15 percent of their budget on food, the highest among the seven metropolitan areas examined. Washington households spent 53 percent of their food budget on food prepared and eaten at home compared to 58 percent spent by households nationwide. The remaining 47 percent of a Washingtonian's budget was spent on food prepared away from home, such as restaurant meals, carry-outs, board at school, and catered affairs.

Payments for personal insurance and pensions accounted for 11.7 percent of the typical Washington household budget; this proportion was higher than the national average (9.0 percent), and was the highest of any other selected metropolitan area in the South region.

Washington area consumer units spent 5.3 percent of their budgets on entertainment, the highest proportion of the seven metropolitan areas in the survey. Nationwide, an average consumer unit spent 5.1 percent of its budget on entertainment. Households in Miami spent the smallest share, 3.7 percent.

Washington area households spent 4.6 percent of their household budget to cover out-of-pocket medical expenses—health insurance premiums, medical services, drugs (prescription and nonprescription), and medical supplies—close to the share spent by households in Baltimore, Miami, and Houston. Nationwide, households spent an average of 5.3 percent of their budget on health care. Tampa was the only one of the selected metropolitan areas in the South region to record a higher share (6.7 percent) than the U.S. average.

Spending on apparel and related services accounted for 4.3 percent of total expenditures in Washington. This was below the 4.8 percent national average and lower than the share spent on clothing in the other metropolitan areas in the South except Tampa (3.1 percent).

Cash contributions accounted for 3.6 percent of consumer spending in Washington, a bit above the 3.2 percent average for the U.S. Of the other areas in the South in the survey, only households in Dallas-Fort Worth spent a larger share (4.0 percent), while those in Baltimore and Miami had the lowest (2.6 percent).

Regional spending

Average annual expenditures for consumer units in the four Census regions of the country varied widely in 1999-2000, ranging from \$41,933 in the West to \$34,102 in the South. Each area spent about two-thirds of its dollars on housing, transportation, and food, though there was some regional variation among expenditure shares. Households in the Midwest and South spent a smaller portion of their budget on housing (31.0 and 31.1 percent, respectively) than did their counterparts in the West and Northeast (33.6 and 34.6 percent, respectively). The cost of transportation represented a smaller share of household expenses in the Northeast (16.9 percent) than it did in the South (20.6 percent), and expenditures for food varied the least among the three major components, ranging from 13.1 percent in the West to 14.0 percent in the Northeast. Among the other expenditure categories, there was usually little variation in the budget share allocated on a regional basis with health care costs the only exception. Overall, when differences existed, Southern and Midwestern consumers had more similar spending patterns, while households in the Northeast and West were closer in their expenditure choices. (See table A.)

Regional variations were much more evident when the individual subcomponents within the major categories were compared. The distribution of a consumer's transportation dollars, for example, showed that households in the Northeast and West spent the highest share on public transportation (8.7 and 6.5 percent, respectively) and the smallest on vehicle purchase (41.3 and 43.9 percent, respectively). Consumer units in the Midwest and South, on the other hand, relied less heavily on public transit, with shares of 5.1 and 4.0 percent, respectively, but spent a higher percentage on vehicle purchases, averaging 48.3 and 49.9 percent, respectively.

Table A. Average expenditures and component shares for all consumer units by region of residence, 1999-2000

	Northeast		South		Midwest		West	
	Level	Share of total	Level	Share of total	Level	Share of total	Level	Share of total
Average annual expenditures	\$38,763	100.0	\$34,102	100.0	\$37,848	100.0	\$41,933	100.0
Food	5,429	14.0	4,670	13.7	5,059	13.4	5,508	13.1
Alcoholic beverages	379	1.0	280	0.8	355	0.9	407	1.0
Housing	13,431	34.6	10,598	31.1	11,744	31.0	14,086	33.6
Apparel and services	1,998	5.2	1,617	4.7	1,772	4.7	2,021	4.8
Transportation	6,565	16.9	7,038	20.6	7,389	19.5	7,873	18.8
Health care	1,833	4.7	2,052	6.0	2,130	5.6	1,982	4.7
Entertainment	1,915	4.9	1,604	4.7	2,070	5.5	2,181	5.2
Personal care products and services	569	1.5	538	1.6	531	1.4	582	1.4
Reading	184	0.5	115	0.3	165	0.4	173	0.4
Education	881	2.3	465	1.4	617	1.6	701	1.7
Tobacco products and smoking supplies	322	0.8	318	0.9	353	0.9	239	0.6
Miscellaneous	782	2.0	753	2.2	826	2.2	957	2.3
Cash contributions	1,082	2.8	1,042	3.1	1,383	3.7	1,297	3.1
Personal insurance and pensions	3,396	8.8	3,012	8.8	3,454	9.1	3,927	9.4

Additional Data Available

A more detailed listing of CE results can be obtained from the Bureau's fax-on-demand service in Philadelphia by dialing 215-597-4153 and accessing the document codes provided below. Additional CE tables are also offered on the BLS Internet site <http://www.bls.gov/cex/home.htm> in both text and PDF formats. For personal assistance or further information on the Consumer Expenditure Survey, as well as other Bureau programs, contact the Philadelphia Information Office at 215-597-3282.

BLS Fax-on-Demand - Philadelphia (215) 597-4153	Number of pages	Document no.
Consumer Expenditures in 2000 - national news release (annual)	2	2705
CE data -		
By quintiles of income before taxes (Table 1)	4	2710
By income before taxes (Table 2)	4	2715
By age of reference person (Table 3)	4	2720
By size of consumer unit (Table 4)	4	2725
By composition of consumer unit (Table 5)	4	2730
By number of earners (Table 6)	4	2735
By housing tenure, race, Hispanic origin, and type of area - urban or rural (Table 7)	4	2740
By region of residence (Table 8)	4	2745
By occupation of reference person (Table 9)	4	2750
By education of reference person (Table 10)	4	2760

Technical Note

The current Consumer Expenditure Survey program began in 1980. Its principal objective is to collect information on the buying habits of American consumers. The consumer expenditure data are used in a wide variety of research by government, business, labor, and academic analysts. The data are also required for periodic revision of the Consumer Price Index (CPI).

The survey consists of two components, a Diary or recordkeeping survey, and an Interview survey. The Diary survey, completed by participating consumer units for two consecutive 1-week periods, collects data on frequently purchased, smaller items. The Interview survey, in which the expenditures of consumer units are obtained in five interviews conducted every 3 months, collects data for larger-cost items and expenditures that occur on a regular basis. The U.S. Bureau of the Census collects the survey data.

Each component of the survey queries an independent sample of consumer units which is representative of the U.S. population. Over the year, about 7,500 consumer units are sampled for the Diary survey. The Interview sample is conducted on a rotating panel basis, with about 7,500 consumer units participating each quarter. The data are collected on an ongoing basis in 105 areas of the country.

The integrated data from the BLS Diary and Interview surveys provide a complete accounting of consumer expenditures and income, which neither survey component alone is designed to do. Due to changes in the survey sample frame, metropolitan area data in this release are not directly comparable to those prior to 1996.

The expenditure data in this release should be interpreted with care. The expenditures are averages for consumer units with the specified characteristics, regardless of whether or not a specific unit incurred an expense for that specific item during the recording period. The average expenditure may be considerably lower than the expenditure by those consumer units that purchased the item. This study is not intended as a comparative cost of living survey as neither the quantity nor the quality of goods and services has been held constant among areas. Differences may result from variations in demographic characteristics such as consumer unit size, age, preferences, income levels, etc. Users should keep in mind that prices for many goods and services have risen since the survey was conducted.

Technical Note (continued)

In addition, sample surveys are subject to two types of errors. Sampling errors occur because the data are collected from a representative sample rather than the entire population. Nonsampling errors result from the inability or unwillingness of respondents to provide correct information, differences in interviewer ability, mistakes in recording or coding, or other processing errors. The year-to-year changes are volatile and should be interpreted carefully. Some expenditure components are subject to large fluctuations from one year to the next because these components include expensive items that relatively few consumers purchase each year. Thus, shifts from year to year in the number of consumers making such purchases can have a large effect on average expenditures. Examples of these types of expenses are purchases of new cars and trucks in the transportation component, and spending on boats and recreational vehicles in the entertainment component. The Metropolitan Statistical Areas (MSAs) and Consolidated Metropolitan Statistical Areas (CMSAs) covered by the Consumer Expenditure Survey represent areas designated by the U.S. Office of Management and Budget and are based on definitions in effect as of December 1992. The general concept of an MSA is one of a large population nucleus, together with adjacent communities which have a high degree of economic and social integration with that nucleus. The following regions and metropolitan areas are discussed in this release:

Geographic Boundaries

Northeast Census Region: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

South Census Region: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

Midwest Census Region: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

West Census Region: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

Baltimore, MD, PMSA: Baltimore City and Anne Arundel, Baltimore, Carroll, Harford, Howard, and Queen Anne's Counties.

Washington, DC-MD-VA-WV, PMSA:

Washington, D.C. Portion:
District of Columbia.

Maryland Portion:

Calvert, Charles, Frederick, Montgomery, and Prince George's Counties.

Virginia Portion:

Arlington, Clarke, Culpeper, Fairfax, Fauquier, King George, Loudoun, Prince William, Spotsylvania, Stafford, and Warren Counties, and Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park Cities

West Virginia Portion:

Berkeley and Jefferson Counties.

Atlanta, GA, MSA: Barrow, Bartow, Carroll, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Newton, Paulding, Pickens, Rockdale, Spalding, and Walton Counties.

Geographic Boundaries (continued)**Dallas-Fort Worth, TX, CMSA:**

Dallas, TX, PMSA:

Collin, Dallas, Denton, Ellis, Henderson, Hunt, Kaufman, and Rockwall Counties.

Fort Worth-Arlington, TX, PMSA:

Hood, Johnson, Parker, and Tarrant Counties.

Houston-Galveston-Brazoria, TX, CMSA:

Brazoria, TX, PMSA:

Brazoria County.

Galveston-Texas City, TX, PMSA:

Galveston County.

Houston, TX, PMSA:

Chambers, Fort Bend, Harris, Liberty, Montgomery, and Waller Counties.

Miami-Fort Lauderdale, FL, CMSA:

Fort Lauderdale, FL, PMSA:

Broward County.

Miami, FL, PMSA:

Miami-Dade County.

Tampa-St. Petersburg-Clearwater, FL, MSA: Hernando, Hillsborough, Pasco, and Pinellas
Counties.**Definitions**

Consumer unit - members of a household related by blood, marriage, adoption, or other legal arrangement; a single person living alone or sharing a household with others but who is financially independent; or two or more persons living together who share responsibility for at least 2 out of 3 major types of expenses - food, housing, and other expenses. The terms household or consumer unit are used interchangeably for convenience.

Complete income reporter - in general, a consumer unit that provides values for at least one of the major sources of its income such as wages and salaries, self-employment income, or Social Security income. Even complete income reporters may not have provided a full accounting of all income from all sources.

Expenditures - consist of the transaction costs, including excise and sales taxes, of goods and services acquired during the interview or recordkeeping period. Expenditure estimates include expenditures for gifts, but exclude purchases or portions of purchases directly assignable to business purposes. Also excluded are periodic credit or installment payments on goods or services already acquired. The full cost of each purchase is recorded even though full payment may not have been made at the date of purchase.

Income before taxes - the total money earnings and selected money receipts during the 12 months prior to the interview date.

Table 1. Average annual expenditures and characteristics of all consumer units in the U.S. and selected metropolitan areas in the South, Consumer Expenditure Survey, 1999-2000

Item	United States Average	Washington, D.C.	Baltimore	Atlanta	Miami	Tampa	Dallas-Fort Worth	Houston
Income before taxes 1/	\$44,299	\$69,331	\$50,813	\$53,936	\$46,034	\$45,116	\$56,046	\$54,733
Age of reference person	48.0	47.1	48.7	45.4	49.6	49.0	44.5	46.7
Earners	1.4	1.5	1.3	1.4	1.4	1.3	1.5	1.5
Vehicles	1.9	1.8	1.7	1.9	1.6	1.8	2.0	2.0
Percent homeowner	65	66	70	71	64	71	58	61
Average annual expenditures	\$37,622	\$47,894	\$41,725	\$37,624	\$39,773	\$35,404	\$46,600	\$46,299
Food	5,094	5,705	5,531	4,689	5,560	4,589	6,865	6,080
Food at home	2,968	3,013	3,175	2,629	3,425	2,628	3,888	3,174
Cereals and bakery products	451	472	478	387	501	370	539	473
Meats, poultry, fish, and eggs	772	705	869	779	1,089	727	1,084	813
Dairy products	323	303	328	265	384	264	376	336
Fruits and vegetables	510	609	537	433	610	510	658	559
Other food at home	912	925	963	766	841	757	1,231	992
Food away from home	2,126	2,692	2,356	2,060	2,134	1,961	2,977	2,906
Alcoholic beverages	345	470	334	322	427	326	326	609
Housing	12,188	16,978	13,779	13,663	14,535	11,258	14,339	13,870
Shelter	7,065	10,698	8,323	8,254	8,787	6,281	8,087	7,337
Owned dwellings	4,564	6,779	6,133	5,722	5,817	4,042	4,873	4,397
Rented dwellings	2,030	2,918	1,558	2,143	2,654	1,761	2,855	2,446
Other lodging	471	1,001	632	390	315	478	359	494
Utilities, fuels and services	2,433	2,639	2,483	3,055	2,768	2,576	3,041	2,929
Household operations	675	969	610	803	1,009	714	962	1,005
Housekeeping supplies	490	516	699	364	454	436	559	597
Household furnishings	1,524	2,157	1,664	1,188	1,516	1,250	1,690	2,002
Apparel and services	1,816	2,059	1,894	1,873	1,950	1,101	2,429	2,376
Transportation	7,215	7,813	7,185	7,056	7,463	7,752	8,948	9,722
Vehicle purchases (net outlay)	3,362	3,222	3,214	3,194	3,023	4,130	4,441	4,813
Gasoline and motor oil	1,173	1,195	1,172	1,128	1,250	1,102	1,469	1,442
Other vehicle expenses	2,268	2,526	2,285	2,426	2,756	2,140	2,624	2,988
Public transportation	412	871	513	309	433	379	415	478
Health care	2,012	2,222	1,843	1,910	1,746	2,388	1,963	2,195
Entertainment	1,902	2,535	2,013	1,551	1,483	1,568	2,180	2,225
Personal care products and supplies	552	677	632	579	676	432	639	858
Reading	153	242	135	140	73	102	164	131
Education	633	724	798	342	505	427	617	460
Tobacco products and smoking supplies	309	216	324	241	203	359	276	307
Miscellaneous	821	931	2,000	812	804	598	652	1,001
Cash contributions	1,187	1,707	1,084	1,164	1,035	1,209	1,868	1,442
Personal insurance and pensions	3,393	5,614	4,173	3,281	3,314	3,294	5,333	5,023

1/ Components of income and taxes are derived from "complete income reporters" only; see definitions.

Table 2. Distribution of expenditures, U.S. average and selected metropolitan areas in the South, Consumer Expenditure Survey, 1999-2000

Item	United States Average	Washington, D.C.	Baltimore	Atlanta	Miami	Tampa	Dallas-Fort Worth	Houston
Average annual expenditures	\$37,622	\$47,894	\$41,725	\$37,624	\$39,773	\$35,404	\$46,600	\$46,299
Percent distribution:	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Food	13.5	11.9	13.3	12.5	14.0	13.0	14.7	13.1
Alcoholic beverages	0.9	1.0	0.8	0.9	1.1	0.9	0.7	1.3
Housing	32.4	35.4	33.0	36.3	36.5	31.8	30.8	30.0
Apparel and services	4.8	4.3	4.5	5.0	4.9	3.1	5.2	5.1
Transportation	19.2	16.3	17.2	18.8	18.8	21.9	19.2	21.0
Health care	5.3	4.6	4.4	5.1	4.4	6.7	4.2	4.7
Entertainment	5.1	5.3	4.8	4.1	3.7	4.4	4.7	4.8
Personal care products and supplies	1.5	1.4	1.5	1.5	1.7	1.2	1.4	1.9
Reading	0.4	0.5	0.3	0.4	0.2	0.3	0.4	0.3
Education	1.7	1.5	1.9	0.9	1.3	1.2	1.3	1.0
Tobacco products and smoking supplies	0.8	0.5	0.8	0.6	0.5	1.0	0.6	0.7
Miscellaneous	2.2	1.9	4.8	2.2	2.0	1.7	1.4	2.2
Cash contributions	3.2	3.6	2.6	3.1	2.6	3.4	4.0	3.1
Personal insurance and pensions	9.0	11.7	10.0	8.7	8.3	9.3	11.4	10.8